

**SUBJECT: SUBPART F - STATE ADMINISTRATION – Policies and Procedures Related to Financial Matters**

**AUTHORITY:** 34 C.F.R. §303.520 – policies related to payment for services; 34 C.F.R. §303.521 – fees; 34 C.F.R. §303.522 – identification and coordination of resources.

Each agency participating in AzEIP will utilize its current eligibility criteria for services to determine financial responsibility for children who are AzEIP eligible. If a child is eligible for an AzEIP service providing agency and AzEIP, the service providing agency is financially responsible for providing the child and family with early intervention services, in accordance with AzEIP procedures, program requirements and Part C requirements.

**Funding Policies**

DES/AzEIP assures the following:

- DES/AzEIP is responsible for monitoring State policies related to payment for services to children who are AzEIP eligible and their families, and incorporating them in interagency agreements, as required under Part C.
- Fees will not be charged for services that a child is required to receive at no cost to the family.
- Fees will not be charged for the following services:
  - child find
  - evaluation and assessment
  - service coordination
  - administrative and coordination activities:
    - development, review and evaluation of IFSPs
    - procedural safeguards described in Subpart E of the Arizona Application for Federal Funds
- The inability of the family of a child who is AzEIP eligible to pay for services will not result in denial of services to the child or family.
- The following early intervention services, as defined in Part C of IDEA, may be subject to a system of payment:
  - speech-language pathology
  - occupational therapy
  - physical therapy
  - health services necessary to enable the infant or toddler to benefit from the other early intervention services
  - audiological services
  - vision services
  - nursing services
  - nutritional services
  - family training, counseling, and home visits
  - family support services

- psychological services
- medical services only for diagnostic or evaluation purposes
- transportation and related costs
- social work services
- special instruction
- assistive technology devices and assistive technology services

The above list is not intended to be comprehensive. There may be other services that are subject to a system of payments.

### **System of Payments**

The Arizona Department of Economic Security (DES), as Lead Agency under IDEA, Part C, adopts the following system of payments for early intervention services. In an effort to maximize all fiscal resources for early intervention services, the State continues to explore all options for funding early intervention services. At this time the following provisions apply:

#### **Private Insurance**

##### **Specific for DES/AzEIP and the Arizona State Schools for the Deaf and the Blind (ASDB)**

- DES/AzEIP and ASDB must obtain informed parental consent for early intervention providers to bill the families' private insurance.
- Providers bill private insurance based on the providers' capacity to do so.
- For functions that are not subject to fees (i.e., child find, evaluation and assessment, service coordination, etc.), DES/AzEIP and ASDB will pay the co-payment, if applicable, to ensure that there is no cost to families.
- For early intervention services that may be subject to a system of payments, families will be requested to pay any co-payment.
- If the family is unable or unwilling to pay the co-payment, they will not be denied early intervention services. DES/AzEIP and ASDB will pay the co-payment using their Federal Part C allocation, if other funds are not available.
- If a family declines the use of private insurance, they will not be denied any early intervention services, and will be informed of this option as part of the informed consent parents provide for the use of private insurance.

##### **Specific for the Division of Developmental Disabilities (DDD)**

- Under State statute and the Division of Developmental Disabilities' agreement with the Arizona Health Care Cost Containment System (AHCCCS), DDD is required to access private insurance before accessing Title XIX or the State funds administered by DDD. Families' refusal to utilize their private insurance constitutes a basis for declining early intervention services through DDD, for which they might be eligible. In the event that the child is eligible for AzEIP, Part C funds will be used as the last resort.

#### **Public Insurance**

- The AzEIP service providing agencies utilize public insurance, such as Title XIX and Title XXI, to the maximum extent practicable. DES/AzEIP and AHCCCS have developed procedures to maximize the use of Early Periodic Screening Diagnosis and Treatment (EPSDT).

- DDD requires an applicant for its services to cooperate in the eligibility process for Title XIX Arizona Long Term Care System (ALTCS) services. If the applicant refuses to cooperate, DDD services are denied. If the child is eligible for AzEIP, early intervention services will be provided using Part C funds as the payor of last resort.

#### Sliding Fee Scale

DES/AzEIP, DES/DDD, and ASDB do not use a sliding fee scale and do not charge a fee for early intervention services.

#### Other use of Funds specific for the Division of Developmental Disabilities

If a family has a trust for a child that prevents the child from becoming eligible for ALTCS, the family may obtain a “special needs trust.” If the family elects not to obtain a “special needs trust,” the DDD has the statutory authority to bill up to the amount of the cost of services. If the child is AzEIP eligible, DDD does not bill the family for any of the cost of services, but rather, utilizes Part C funds as the payor of last resort.

No child will be denied or have early intervention services delayed due to disputes between agencies regarding financial or other responsibilities.

DES/AzEIP does not treat proceeds from public or private insurance as program income for the purposes of 34 C.F.R. 80.25. Proceeds from private insurance or family cost participation fees are neither State nor Federal funds for the purposes of Part C non-supplanting requirements at 34 C.F.R. §303.124.

#### **Identification and Coordination of Services**

DES/AzEIP shall:

- Identify and coordinate available resources for early intervention services within the State of Arizona, including those from Federal, State, local, and private resources.
- Update the information on funding sources for early intervention services resulting from changes in administrative rules or legislation.
- Monitor Federal funding sources, including:
  - Title V of the Social Security Act (Maternal & Child Health);
  - Title XIX of the Social Security Act (Medicaid/AHCCCS & EPSDT);
  - The Head Start Act;
  - Parts B and C of IDEA;
  - The Developmental Disabilities Assistance and Bill of Rights Act (P.L. 94-103); and
  - Other Federal programs.

- Develop a process for gathering information on the identification and coordination of resources for early intervention services. The process will include determination of the number of infants and toddlers eligible for AzEIP and receiving services, and the amount, duration, and scope of the services.

No medical or other assistance available will be reduced, or eligibility altered, under Title V or Title XIX of the Social Security Act.